



DCM Boeing Seattle Pricing and Negotiation Conference ~~UCA Pricing~~

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- ◆ **Status: DCM Boeing Seattle often meets 14% and 86 % goals.**
- ◆ **History:**
 - ◆ **Consistently averaged 60% + overage UCAs;**
 - ◆ **Less than 10% were definitized within 180 days; and**
 - ◆ **Cycle time exceeded 260 days.**

◆ Background:

- ◆ DCM Boeing Seattle had consistently 60% + overage UCAs;**
- ◆ Workload had rapidly changing peaks and valleys;**
- ◆ Contractor was late in providing proposals;**
- ◆ Subcontractor data was late;**
- ◆ Multiple changes in the Statement of work (items to be procured); and**
- ◆ Funding issues delayed definitization.**

◆ What did we do?

- ◆ Formed a PAT to improve the process;**
- ◆ DCM, Contractor and Buying Offices on team;**
- ◆ Each identified their process and areas for improvement;**
- ◆ Jointly identified process drivers; and**
- ◆ Revised procedures & processes.**

◆ Process drivers:

- ◆ Arrival of very large batches of PIOs on the same day;**
- ◆ Late prime & subcontractor proposals;**
- ◆ Multiple changes in the statement of work;**
- ◆ Insufficient funding;**
- ◆ Support equipment being purchased as end items;**

◆ Process drivers (continued):

- ◆ Diminishing manufacturing sources (DMS) - no one makes it**
- ◆ Non-procurable or produceable items;**
- ◆ Too many line items on a single PIO;**
- ◆ Poor coordination of workload fact-finding & negotiation**
- ◆ Interdivisional work effort coordination.**

◆ What changed?

- ◆ Standards for proposals were agreed upon;**
- ◆ Process flows were mapped & agreed to;**
- ◆ Buying Offices spread PIO issuance out to even workload;**
- ◆ Negotiated rates & factors applicable to PIOs;**
- ◆ Biweekly status meetings;**
- ◆ Implemented a problem resolution process;**

◆ What changed? (continued)

- ◆ Set time frames for fact-finding & negotiation;**
- ◆ Coordinated procureability & produceability issues;**
- ◆ Coordinated statement of work - hold until it is correct;**
- ◆ Batched similar UCAs for fact-finding & negotiation;**
- ◆ Funding issues identified as they surfaced;**
- ◆ Coordinated subcontractor issues with cognizant DCMs;**
- ◆ Electronic access to contractor data.**

◆ Summary:

- ◆ Map and understand each player's process;**
- ◆ Negotiate rates & factors;**
- ◆ Work with the Buying Offices;**
- ◆ Set time frames for fact-finding & negotiation; and**
- ◆ Implement a problem resolution process.**